

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION
Central Valley Project, California

INTERIM RENEWAL CONTRACT BETWEEN THE UNITED STATES
AND
CITY OF TRACY
PROVIDING FOR PROJECT WATER SERVICE

THIS CONTRACT, made this ____ day of _____, 2010,
in pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory or
supplementary thereto, including, but not limited to, the acts of August 26, 1937 (50 Stat. 844),
as amended and supplemented, August 4, 1939 (53 Stat. 1187), as amended and supplemented,
July 2, 1956 (70 Stat. 483), June 21, 1963 (77 Stat. 68), October 12, 1982 (96 Stat. 1263),
as amended, and Title XXXIV of the Act of October 30, 1992 (106 Stat. 4706), all collectively
hereinafter referred to as Federal Reclamation law, between the UNITED STATES OF
AMERICA, hereinafter referred to as the United States, and the CITY OF TRACY, hereinafter
referred to as the Contractor, a public agency of the State of California, duly organized, existing,
and acting pursuant to the laws thereof;

WITNESSETH, That:

EXPLANATORY RECITALS

WHEREAS, the United States and the Banta-Carbona Irrigation District (District)
entered into an interim renewal contract identified as Contract No. 14-06-200-4305A-IR5,
hereinafter referred to as the Interim Renewal Contract, which provided for the continued water
service to the District following expiration of Contract No. 14-06-200-4305A; and

WHEREAS, the United States and the District have entered into successive renewals of the Interim Renewal Contract, the most recent of which is Contract No. 14-06-200-4305-IR11-B, hereinafter referred to as the Existing Interim Renewal Contract, from March 1, 2008, through February 28, 2010; and

WHEREAS, on February 27, 2004, the Contractor and the District entered into an assignment agreement that assigned 5,000 acre-feet of project water to the Contractor; and

WHEREAS, the United States and the Contractor have made significant progress in their negotiations of a long-term renewal contract, believe that further negotiations on the long-term renewal contract would be beneficial, and mutually commit to continue to negotiate to seek to reach agreement, but anticipate that the environmental documentation necessary for execution of any long-term renewal contract will be delayed until March 2011, and may be delayed further for reasons beyond the control of the parties; and

WHEREAS, the Contractor has requested a subsequent interim renewal contract pursuant to subdivision (b)(1) of Article 2 of the Interim Renewal Contract and Article 1 of the Existing Interim Renewal Contract; and

WHEREAS, the United States has determined that the Contractor has to date fulfilled all of its obligations under the Existing Interim Renewal Contract; and

WHEREAS, the United States is willing to renew the Existing Interim Renewal Contract pursuant to the terms and conditions set forth below;

NOW, THEREFORE, in consideration of the mutual and dependent covenants herein contained, it is hereby mutually agreed by the parties hereto as follows:

INCORPORATION AND REVISION OF
EXISTING INTERIM RENEWAL CONTRACT

1. The terms and conditions of the Existing Interim Renewal Contract are hereby incorporated by reference into this Contract with the same force and effect as if they were included in full text with the exception of Article 1 thereof, which is revised as follows:

(a) The first sentence in subdivision (a) of Article 1 of the Existing Interim Renewal Contract is modified as follows: "This interim renewal contract shall be effective from March 1, 2010, and shall remain in effect through February 29, 2012, and thereafter will be renewed as described in subdivision (a) of Article 2 of the Interim Renewal Contract, if a long-term renewal contract has not been executed with an effective commencement date of March 1, 2012."

(b) Subdivision (b) of Article 1 of the Existing Interim Renewal Contract is amended by deleting the date "February 15, 2010," and replacing same with the date "February 15, 2012."

(c) Subdivision (c) of Article 1 of the Existing Interim Renewal Contract is amended by deleting the dates "February 1, 2010," "February 15, 2010," and "February 28, 2010," and replacing same with the dates "February 1, 2012," "February 15, 2012," and "February 29, 2012," respectively.

66 IN WITNESS WHEREOF, the parties hereto have executed this contract as of the
67 day and year first above written.

68 UNITED STATES OF AMERICA

69 By: _____
70 Regional Director, Mid-Pacific Region
71 Bureau of Reclamation

72 (SEAL) CITY OF TRACY

73 By: _____
74 City Manager

75 Attest:

76 _____
77 Secretary